

Adopted	Rejected
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## COMMITTEE REPORT

YES:	9
NO:	0

### MR. SPEAKER:

*Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 1, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete lines 1 through 15, begin a new paragraph and insert:
- 2 "SECTION 1. IC 6-1.1-18.5-21 IS ADDED TO THE INDIANA
- 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4 [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) The ad valorem
- 5 property tax levy limits imposed by this chapter do not apply to ad
- 6 valorem property taxes imposed by the consolidated fire
- 7 department taxing district established in IC 36-3-1-6.4 to pay or
- 8 fund the following:
- 9 (1) Any indebtedness of a township or an excluded city
- 10 assumed, defeased, paid, or refunded by the consolidated city
- 11 under IC 36-3-1-6.1 or IC 36-3-1-6.3.
- 12 (2) Any indebtedness issued by the consolidated city, after the
- 13 consolidated fire department is established, to pay for fire
- 14 protection services, emergency services, or equipment,
- 15 buildings, or land related to fire protection services or

**emergency medical services.**

SECTION 2. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	\$1,898,145
Decatur Township	\$164,103
Franklin Township	\$173,934
Lawrence Township	\$890,086
Perry Township	\$854,544
Pike Township	\$1,410,375
Warren Township	\$1,027,721
Washington Township	\$1,017,890
Wayne Township	\$988,397

1	Lawrence-City	\$648,848
2	Beech Grove	\$639,017
3	Southport	\$18,906
4	Speedway	\$546,000
5	(3) For each year after 1995, calculate the total amount of revenues	
6	that are to be distributed as distributive shares during that month as	
7	follows:	
8	STEP ONE: Determine the total amount of revenues that were	
9	distributed as distributive shares during that month in calendar	
10	year 1995.	
11	STEP TWO: Determine the total amount of revenue that the	
12	department has certified as distributive shares for that month	
13	under section 17 of this chapter for the calendar year.	
14	STEP THREE: Subtract the STEP ONE result from the STEP	
15	TWO result.	
16	STEP FOUR: If the STEP THREE result is less than or equal to	
17	zero (0), multiply the STEP TWO result by the ratio established	
18	under subdivision (1).	
19	STEP FIVE: Determine the ratio of:	
20	(A) the maximum permissible property tax levy under	
21	IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for each civil	
22	taxing unit for the calendar year in which the month falls, plus,	
23	for a county, an amount equal to the property taxes imposed by	
24	the county in 1999 for the county's welfare fund and welfare	
25	administration fund; divided by	
26	(B) the sum of the maximum permissible property tax levies	
27	under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all civil	
28	taxing units of the county during the calendar year in which the	
29	month falls, and an amount equal to the property taxes imposed	
30	by the county in 1999 for the county's welfare fund and	
31	welfare administration fund.	
32	STEP SIX: If the STEP THREE result is greater than zero (0),	
33	the STEP ONE amount shall be distributed by multiplying the	
34	STEP ONE amount by the ratio established under subdivision	
35	(1).	
36	STEP SEVEN: For each taxing unit determine the STEP FIVE	
37	ratio multiplied by the STEP TWO amount.	
38	STEP EIGHT: For each civil taxing unit determine the difference	

between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

**(c) Except with respect to Center Township, if a consolidated fire department is established under IC 36-3-1-6.1, sixty-six percent (66%) of the revenues to be distributed as distributive shares during each month to the townships listed in this section are to be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.**

**(d) If Lawrence, Beech Grove, Southport, or Speedway consolidates its fire department into the consolidated fire department under IC 36-3-1-6.3, commencing with the calendar year following that consolidation and for each year thereafter, the monthly distributive share of county option income taxes distributed to Lawrence, Beech Grove, Southport, or Speedway, as applicable, shall be reduced by a percentage set forth in the ordinances adopted under IC 36-3-1-6.3, and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.**

SECTION 3. IC 8-22-3-11.6, AS ADDED BY P.L.227-2005,

SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) If:

(1) the legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances providing that~~ **adopts an ordinance under IC 36-3-1-6.1 providing that:**

(A) the fire department of the airport authority is consolidated into the fire department of the consolidated city **created by IC 36-3-1-6.1;** and ~~that~~

(B) the fire department of the consolidated city shall provide fire protection services for the airport authority; ~~If ordinances are adopted under this section;~~

**and the executive of the consolidated city approves the ordinance; and**

(2) **the legislative body of the consolidated city adopts an ordinance under IC 36-3-1-6.1 adopting the transition plan and the executive of the consolidated city approves the ordinance;**

~~the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances: January 1, 2008.~~

(c) The legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances~~ **an ordinance under IC 36-3-1-5.1** providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city **created by IC 36-3-1-5.1,** and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. ~~If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances."~~

Delete pages 2 through 19.

Page 20, delete lines 1 through 29.

Page 21, delete lines 19 through 42, begin a new paragraph and insert:

"SECTION 6. IC 36-3-1-6.1, AS ADDED BY P.L.227-2005,

SECTION 18, IS AMENDED TO READ AS FOLLOWS  
 [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) ~~This section applies~~  
~~only in a county containing a consolidated city. If the requirements of~~  
~~subsection (g) are satisfied, The legislative body of the consolidated~~  
**city may adopt an ordinance approved by the executive of the**  
**consolidated city to consolidate** the fire departments of the following  
~~are consolidated~~ into the fire department of a consolidated city (referred  
 to as "the consolidated fire department"):

(1) A township for which the consolidation is approved by the  
 township legislative body and trustee and the legislative body and  
 mayor of the located in a county having a consolidated city.

(2) Any fire protection territory established under IC 36-8-19 that  
 is located in a township described in subdivision (1): ~~county~~  
**having a consolidated city.**

(3) The territory in which an airport authority established for  
 a consolidated city under IC 8-22-3 may provide fire protection  
 services.

However, an ordinance may be adopted under this subsection only  
 before August 1, 2006. Notwithstanding any other provision, an  
 ordinance adopted under this subsection after July 31, 2006, is not  
 effective.

(b) The legislative body of the consolidated city may not adopt an  
 ordinance under subsection (a) unless the legislative body first:

(1) holds a public hearing on the proposed consolidation; and

(2) determines that:

(A) reasonable and adequate fire protection can be provided  
 through the consolidation; and

(B) the consolidation is in the public interest.

(c) If the requirements of subsection (a) are satisfied, the  
 metropolitan board of fire commissioners is established. The board  
 consists of the following members:

(1) The executive of the consolidated city, who shall serve as the  
 board's chairperson.

(2) The nine (9) township trustees in the county containing a  
 consolidated city.

(3) Two (2) members of the legislative body of the consolidated  
 city, who must be from different political parties, appointed by  
 the president of the legislative body of the consolidated city.

1 At the board's first meeting, the members of the board shall elect  
2 a vice chairperson. Meetings of the board shall be called by the  
3 chairperson or by the vice chairperson and any two (2) other  
4 members. An affirmative vote of a majority of the members  
5 appointed to the board is required for the board to take final  
6 action. The members of the board may not receive a salary or per  
7 diem for participation on the board.

8 (d) The board established under subsection (c) shall prepare a  
9 transition plan to integrate the functions and personnel of the fire  
10 departments consolidated into the fire department of the  
11 consolidated city. If the board votes to adopt the transition plan,  
12 the board shall submit the plan to the legislative body of the  
13 consolidated city. If:

14 (1) before January 1, 2008, the legislative body adopts an  
15 ordinance by a majority vote that adopts the transition plan;  
16 and

17 (2) the executive of the consolidated city approves the  
18 ordinance adopted under subdivision (1);

19 the fire department consolidation becomes effective January 1,  
20 2008.

21 (e) The board established under subsection (c) shall conduct  
22 budget hearings and before August 1, 2007, submit a budget  
23 proposal for the consolidated fire department to the legislative  
24 body of the consolidated city for approval. If the board established  
25 under subsection (c) does not adopt a transition plan before August  
26 1, 2007, the legislative body of the consolidated city may prepare a  
27 transition plan to consolidate the fire departments into the fire  
28 department of the consolidated city. If:

29 (1) before January 1, 2008, the legislative body adopts an  
30 ordinance by a majority vote that adopts the transition plan;  
31 and

32 (2) the executive of the consolidated city approves the  
33 ordinance adopted under subdivision (1);

34 the fire department consolidation becomes effective on January 1,  
35 2008. However, notwithstanding any other statute, if the legislative  
36 body does not adopt a transition plan until after December 31,  
37 2007, the effective date of the consolidation is not January 1, 2008,  
38 but is instead the date specified by the legislative body in the

1 ordinance adopting the transition plan.

2 (f) Subject to subsection (g), beginning January 1, 2008, the  
3 board established under subsection (c) has the following duties and  
4 responsibilities:

5 (1) The board shall approve:

6 (A) station closings and equipment relocations; and

7 (B) a plan to integrate all merit positions into the  
8 consolidated fire department.

9 (2) The board shall oversee all assets of the consolidated fire  
10 department and monitor all reallocation of assets.

11 (3) The board shall appoint one (1) member to the merit  
12 commission of the consolidated fire department. This member:

13 (A) shall serve until the board expires on December 31, 2010;  
14 and

15 (B) shall replace a member appointed by the mayor of the  
16 consolidated city.

17 Notwithstanding any other law, the mayor shall designate  
18 which of the mayor's appointees to the merit board is removed  
19 from the merit board and replaced by the member appointed  
20 under this subdivision.

21 (4) The board shall conduct budget hearings and submit a  
22 budget proposal for the consolidated fire department to the  
23 legislative body of the consolidated city for approval.

24 (5) The board shall approve all equipment and facility  
25 purchases for the consolidated fire department.

26 (6) The board shall nominate three (3) candidates for fire chief  
27 of the consolidated fire department. The executive shall select  
28 a fire chief from the candidates nominated by the board.

29 (7) The board shall provide advice and make recommendations  
30 to the chief of the consolidated fire department regarding the  
31 operation of the consolidated fire department and the provision  
32 of emergency medical services.

33 (8) The board shall review labor agreements assumed or to be  
34 assumed by the consolidated city and make recommendations  
35 concerning labor agreements needed to integrate firefighters  
36 from all townships into the consolidated fire department.

37 (9) The board is a public agency for purposes of IC 5-14-1.5  
38 and IC 5-14-3.



1           **(10) The board shall meet at least once each month.**

2           **(g) The board expires December 31, 2010. Upon expiration of the**  
 3 **board, the duties and responsibilities set forth in subsection (f)**  
 4 **revert to the government body or officer of the consolidated city**  
 5 **that had the duty or responsibility before the effective date of the**  
 6 **consolidation.**

7           **(b) If the requirements of subsection (g) are satisfied, (h) Except as**  
 8 **provided in section 6.3 of this chapter, if a consolidated fire**  
 9 **department is established under this section the consolidated fire**  
 10 **department shall provide fire protection services within an entity**  
 11 **described in subsection (a)(1) or (a)(2) in which the requirements of**  
 12 **subsection (g) are satisfied the consolidated fire department taxing**  
 13 **district beginning on the date agreed to in the resolution of the**  
 14 **township legislative body and the ordinance of the legislative body of**  
 15 **the consolidated city: January 1, 2008.**

16           **(c) (i) If the requirements of subsection (g) are satisfied and the fire**  
 17 **department departments of an entity the entities listed in subsection**  
 18 **(a) is are consolidated into the fire department of the consolidated city,**  
 19 **all of the property, equipment, records, rights, and contracts of the**  
 20 **department departments consolidated into the fire department of the**  
 21 **consolidated city are:**

22           (1) transferred to; or

23           (2) assumed by;

24 **the consolidated city on the effective date of the consolidation.**  
 25 **However, real property other than real property used as a fire station**  
 26 **may be transferred only on terms mutually agreed to by the legislative**  
 27 **body and mayor of the consolidated city and the trustee and legislative**  
 28 **body of the township in which that real property is located: January 1,**  
 29 **2008. In the case of a building that was partially funded from**  
 30 **sources other than taxes imposed for fire protection purposes, only**  
 31 **that portion of the building that was funded from taxes imposed for**  
 32 **fire protection purposes and that is used by the township for fire**  
 33 **protection purposes shall be transferred to the consolidated city.**  
 34 **Any balance in a township's cumulative building and equipment**  
 35 **fund for fire protection and related services established under**  
 36 **IC 36-8-14 before January 1, 2008, shall not be transferred to the**  
 37 **consolidated city but shall be transferred first to a dedicated**  
 38 **township fund and used to pay pension obligations under the 1937**

1 firefighters' pension fund, if the township has any unfunded  
 2 liability for pension obligations for township firefighters under the  
 3 1937 firefighters' pension fund, and if any balance remains after  
 4 that transfer for pension obligations the remaining balance shall be  
 5 transferred to any other cumulative fund or rainy day fund  
 6 established by the township before January 1, 2008. However, if a  
 7 township has not established another cumulative fund or rainy day  
 8 fund before January 1, 2008, into which any remaining balance  
 9 may be transferred, the remaining balance shall instead be  
 10 transferred to the consolidated fire department taxing district and  
 11 deposited in the consolidated fire department taxing district fund.  
 12 The balances in any rainy day funds established by a township for  
 13 any purpose are not transferred to the consolidated city. The  
 14 Emergency Services Education Center in Wayne Township shall  
 15 remain the property of Wayne Township and shall not be  
 16 transferred to the consolidated city.

17 ~~(d)~~ (j) If the requirements of subsection (g) are satisfied and the fire  
 18 department departments of an entity the entities listed in subsection  
 19 (a) is are consolidated into the fire department of the consolidated city,  
 20 the employees of the fire department consolidated into the fire  
 21 department of the consolidated city cease employment with the  
 22 department of the entity listed in subsection (a) and become employees  
 23 of the consolidated fire department on the effective date of the  
 24 consolidation: January 1, 2008. The consolidated city shall assume all  
 25 agreements with labor organizations that:

- 26 (1) are in effect on the effective date of the consolidation; and
- 27 (2) apply to employees of the department consolidated into the fire
- 28 department of the consolidated city who become employees of the
- 29 consolidated fire department.

30 ~~(e)~~ (k) If the requirements of subsection (g) are satisfied and the fire  
 31 department departments of an entity the entities listed in subsection  
 32 (a) is are consolidated into the fire department of a consolidated city,  
 33 the indebtedness related to fire protection services incurred before the  
 34 effective date of the consolidation by:

- 35 (1) the entity; or
- 36 (2) a building, holding, or leasing corporation on behalf of the
- 37 entity;

38 whose fire department is consolidated into the consolidated fire

department under subsection (a) shall ~~remain the debt of the entity and~~  
 does not become and may not be assumed, **defeased, paid, or**  
~~refunded~~ by the consolidated city **and may be paid from property**  
**taxes imposed by the consolidated fire department taxing district.**  
 Notwithstanding any other law, to assume, defease, pay, or refund  
 all or a part of the indebtedness, the consolidated city is not  
 required to comply with any other statutory procedures or  
 approvals that apply when a unit incurs indebtedness. However,  
 the consolidated city may not assume all or any part of the  
 indebtedness that will cause the consolidated city to exceed the  
 limitations on the amount of indebtedness that the consolidated city  
 may incur. The rights of the trustee and the bondholders with  
 respect to any:

(1) bonds or other indebtedness; or

(2) bond resolution, trust agreement or indenture, security  
 agreement, purchase agreement, or other undertaking with  
 respect to indebtedness;

remain the same, although the powers, duties, agreements, and  
 liabilities of the entities listed in subsection (a) have been  
 transferred to the consolidated city, and the consolidated city shall  
 be considered to have assumed all of those powers, duties,  
 agreements, and liabilities. Indebtedness related to fire protection  
 services that is incurred by the consolidated city before the effective  
 date of the consolidation shall remain the debt of the consolidated city  
 and property taxes levied to pay the debt may only be levied by the fire  
 special service district.

~~(f) (I)~~ If the requirements of subsection (g) are satisfied and the fire  
 department departments of an entity the entities listed in subsection  
 (a) ~~is~~ are consolidated into the fire department of a consolidated city,  
 the merit board and the merit system of the fire department  
 departments that ~~is~~ are consolidated are dissolved on the effective date  
 of the consolidation, and the duties of the merit boards are transferred  
 to and assumed by the merit board for the consolidated fire department  
 on the effective date of the consolidation.

~~(g)~~ A township legislative body, after approval by the township  
 trustee, may adopt a resolution approving the consolidation of the  
 township's fire department with the fire department of the consolidated  
 city. A township legislative body may adopt a resolution under this

subsection only after the township legislative body has held a public hearing concerning the proposed consolidation. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1. If the township legislative body has adopted a resolution under this subsection, the township legislative body shall, after approval from the township trustee, forward the resolution to the legislative body of the consolidated city. If such a resolution is forwarded to the legislative body of the consolidated city, the legislative body of the consolidated city may adopt an ordinance, approved by the mayor of the consolidated city, approving the consolidation of the fire department of the township into the fire department of the consolidated city and the requirements of this subsection are satisfied. The consolidation shall take effect on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

~~(h)~~ **(m)** The following apply if the requirements of subsection ~~(g)~~ are satisfied: fire departments of the entities listed in subsection (a) are consolidated into the fire department of a consolidated city:

~~(1)~~ The consolidation of the fire department of that township is effective on the date agreed to by the township legislative body in the resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

~~(2)~~ **(1)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1977 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section;

remains a member of the 1977 fund without being required to meet the requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter shall receive credit for any service as a member of the 1977 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-8.

~~(3)~~ **(2)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1937 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section; remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-7.

~~(4) For property taxes first due and payable in the year in which the consolidation is effective, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:~~

~~(A) is increased for the consolidated city by an amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services by the township whose fire department is consolidated into the fire department of the consolidated city under this section; and~~

~~(B) is reduced for the township whose fire department is consolidated into the fire department of the consolidated city under this section by the amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services for the township.~~

~~(5) The amount levied in the year preceding the year in which the consolidation is effective by the township whose fire department is consolidated into the fire department of the consolidated city for the township's cumulative building and equipment fund for fire protection and related services is transferred on the effective date of the consolidation to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established. The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and related services.~~

~~(6)~~ (3) The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the ~~township entities listed in subsection (a)~~ are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the

consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively. Notwithstanding any other provision, the legislative body of the consolidated city may adopt an ordinance to adjust the membership of the consolidated city's local board to reflect the consolidation.

~~(7)~~ The consolidated city may levy property taxes within the consolidated city's maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the operation of the consolidated fire department. However, property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who were employees of the consolidated city at the time of the consolidation may be levied only by the fire special service district within the fire special service district. The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters' pension and disability fund who were members of the fire department of the consolidated city on the effective date of the consolidation may be levied only by the fire special service district within the fire special service district. Property taxes to fund the pension obligation for members of the 1937 firefighters fund who were not members of the fire department of the consolidated city on the effective date of the consolidation and members of the 1977 police officers' and firefighters' pension and disability fund who were not members of the fire department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the city's maximum permissible ad valorem property tax levy. However, these taxes may be levied only within the fire special service district and any townships that have consolidated fire departments under this section.

~~(8)~~ **(4)** The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year in which the consolidation is effective and ~~for before~~ **March 1 in each of** the following two (2) years, to determine:

(A) the amount of any cost savings, operational efficiencies, or improved service levels; and

(B) any tax shifts among taxpayers;

that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 7. IC 36-3-1-6.2, AS ADDED BY P.L.227-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.2. ~~(a)~~ If a consolidated fire department is established under section 6.1 of this chapter, the consolidated city, through the consolidated fire department, shall after the consolidation establish, operate, and maintain emergency ambulance services (as defined in IC 16-18-2-107) ~~in the fire special service district and in those townships in the county. that are consolidated under section 6.1 of this chapter.~~

~~(b) This section does not prohibit the providing of emergency ambulance services under an interlocal agreement under IC 36-1-7.~~

SECTION 8. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.3. (a) A consolidated fire department may not provide fire protection services for:**

**(1) an excluded city; or**

**(2) a fire protection territory for which an excluded city is a provider unit (as defined in IC 36-8-19-3);**

**unless the fire protection services are provided under an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.**

**(b) For the consolidated fire department to provide fire protection services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:**

**(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing the consolidation of the fire department of the excluded city into the consolidated fire department.**

**(2) The ordinances described in subdivision (1) must:**

**(A) specify the effective date of the consolidation; and**

**(B) set forth the conditions of the consolidation.**

1 (c) After the effective date of the consolidation described in  
2 subsection (b), the consolidated fire department shall provide fire  
3 protection services within the territory of the excluded city.

4 (d) After the effective date of the consolidation described in  
5 subsection (b), all the property, equipment, records, rights, and  
6 contracts of the fire department of the excluded city are  
7 transferred to and assumed by the consolidated city. Any balance  
8 in an excluded city's cumulative building and equipment fund for  
9 fire protection and related services established under IC 36-8-14  
10 before the effective date of the consolidation shall not be  
11 transferred to the consolidated city but shall be transferred first to  
12 a dedicated city fund and used to pay pension obligations under the  
13 1937 firefighters' pension fund, if the excluded city has any  
14 unfunded liability for pension obligations for its firefighters under  
15 the 1937 firefighters' pension fund, and if any balance remains  
16 after that transfer for pension obligations the remaining balance  
17 shall be transferred to any other cumulative fund or rainy day fund  
18 established by the excluded city before the effective date of the  
19 consolidation. However, if the excluded city has not established  
20 another cumulative fund or rainy day fund before the effective date  
21 of the consolidation into which any remaining balance may be  
22 transferred, the remaining balance shall instead be transferred to  
23 the consolidated fire department taxing district and deposited in  
24 the consolidated fire department taxing district fund. The balances  
25 in any rainy day funds established by an excluded city for any  
26 purpose are not transferred to the consolidated city.

27 (e) After the effective date of the consolidation described in  
28 subsection (b), the employees of the fire department of the excluded  
29 city cease employment with the excluded city and become  
30 employees of the consolidated fire department. These employees  
31 are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5  
32 upon becoming employees of the consolidated fire department. The  
33 consolidated city shall assume all agreements with labor  
34 organizations that:

35 (1) are in effect after the effective date of the consolidation  
36 described in subsection (b); and

37 (2) apply to employees of the fire department of the excluded  
38 city who become employees of the consolidated fire



1           department.

2           (f) Except as provided in subsection (h), the consolidated city  
3 shall assume, defease, pay, or refund all indebtedness related to fire  
4 protection services incurred before the effective date of the  
5 consolidation described in subsection (b) by:

6           (1) an excluded city; or

7           (2) a building, holding, or leasing corporation on behalf of an  
8 excluded city;

9 whose fire department is consolidated into the consolidated fire  
10 department under subsection (b).

11          (g) Notwithstanding any other law, to assume, defease, pay, or  
12 refund all or a part of the indebtedness described in subsection (f),  
13 the consolidated city is not required to comply with any other  
14 statutory procedures or approvals that apply when a unit incurs  
15 indebtedness.

16          (h) Notwithstanding subsections (f) and (g), the consolidated city  
17 may not assume all or a part of the indebtedness described in  
18 subsection (f) that will cause the consolidated city to exceed the  
19 limitations on the amount of indebtedness that the consolidated city  
20 may incur.

21          (i) The rights of the trustee and the bondholders with respect to  
22 any:

23           (1) indebtedness or bonds; or

24           (2) bond resolution, trust agreement or indenture, security  
25 agreement, purchase agreement, or other undertaking  
26 described in subsection (f);

27 remain the same, although the powers, duties, agreements, and  
28 liabilities of the departments listed in subsection (a) have been  
29 transferred to the consolidated city, and the consolidated city shall  
30 be considered to have assumed all those powers, duties,  
31 agreements, and liabilities.

32          (j) Whenever an excluded city consolidates its fire department  
33 into the consolidated fire department under subsection (b), the  
34 local boards for the 1937 firefighters' pension fund and the 1977  
35 police officers' and firefighters' pension and disability fund of the  
36 excluded city are dissolved, and their services are terminated not  
37 later than the effective date of the consolidation. The duties  
38 performed by the local boards under IC 36-8-7 and IC 36-8-8,

1 respectively, are assumed by the consolidated city's local board for  
2 the 1937 firefighters' pension fund and local board for the 1977  
3 police officers' and firefighters' pension and disability fund,  
4 respectively.

5 (k) Whenever an excluded city consolidates its fire department  
6 into the consolidated fire department under subsection (b), the  
7 merit board and merit system of the excluded city's fire  
8 department are dissolved, and the duties of the excluded city's  
9 merit board are transferred to and assumed by the merit board for  
10 the consolidated fire department.

11 (l) Whenever an excluded city consolidates its fire department  
12 into the consolidated fire department under subsection (b),  
13 commencing with the calendar year following consolidation and for  
14 each year thereafter, the excluded city's monthly distributive share  
15 of county option income tax revenues distributed under  
16 IC 6-3.5-6-18.5 shall be reduced by a percentage set forth in the  
17 ordinances adopted under subsection (b), and those revenues shall  
18 instead be distributed to the consolidated fire department taxing  
19 district and deposited in the consolidated fire department taxing  
20 district fund.

21 (m) If an excluded city consolidates its fire department into the  
22 consolidated fire department under subsection (b) before December  
23 31, 2010, the excluded city shall appoint one (1) representative to  
24 the metropolitan board of fire commissioners as a full voting  
25 member.

26 SECTION 9. IC 36-3-1-6.4 IS ADDED TO THE INDIANA CODE  
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
28 UPON PASSAGE]: Sec. 6.4. (a) This section applies only to a county  
29 having a consolidated city and only if a consolidated fire  
30 department is established in the county under section 6.1 of this  
31 chapter.

32 (b) As used in this section, "taxing district" refers to the  
33 consolidated fire department taxing district established in  
34 subsection (c).

35 (c) If a consolidated fire department is established under section  
36 6.1 of this chapter, the consolidated fire department taxing district  
37 is established in the county. The taxing district consists of all  
38 territory in the county except territory of an excluded city that has

1 not consolidated its fire department under section 6.3 of this  
2 chapter.

3 (d) The taxing district shall levy a property tax within the  
4 territory of the taxing district to pay for the following:

5 (1) Providing fire protection services and emergency  
6 ambulance services within the territory of the taxing district  
7 and providing for the operation of the consolidated fire  
8 department.

9 (2) Providing any equipment, buildings, or land that is  
10 necessary for the consolidated fire department and for  
11 providing fire protection services and emergency ambulance  
12 services within the territory of the taxing district.

13 The property tax levy under this section is separate from other  
14 property tax levies of the consolidated city, and a separate  
15 maximum permissible property tax levy shall be collected for the  
16 taxing district. All revenue collected from the tax levied under this  
17 subsection shall be deposited in a consolidated fire department  
18 fund.

19 (e) The taxing district shall levy a property tax within the  
20 territory of the taxing district to pay for the following:

21 (1) Any indebtedness assumed, defeased, paid, or refunded  
22 under section 6.1 or 6.3 of this chapter.

23 (2) Any indebtedness issued by the consolidated city, either  
24 before or after the consolidated fire department is established,  
25 to pay for fire protection services, emergency services, or  
26 equipment, buildings, or land related to fire protection services  
27 or emergency medical services.

28 The property tax levy collected under this subsection shall be  
29 deposited in a consolidated fire department debt service fund.

30 (f) Money in the consolidated fire department fund shall be used  
31 for the purposes described in subsection (d), and money in the  
32 consolidated fire department debt service fund shall be used for the  
33 purposes described in subsection (e). The county auditor shall  
34 administer the funds and is responsible for the issuance of warrants  
35 for payments from the funds. The county auditor may take actions  
36 necessary to administer the funds without the approval of the  
37 controller of the consolidated city.

38 (g) Property taxes to fund the pension obligation under IC 36-8-7

for members of the 1937 firefighters fund who are employees or retired employees of the consolidated city on January 1, 2008, may be levied only by the fire special service district created by section 6 of this chapter within the territory of the fire special service district and may not be levied by the taxing district.

(h) In the case of a township or an excluded city that consolidates its fire department under this section:

(1) the liability for the payment of pension obligations under IC 36-8-7 for members of the 1937 firefighters fund who are employees or retired employees of the township or excluded city at the time of the consolidation remains with the township or excluded city; and

(2) property taxes to fund the township's or excluded city's pension obligation described in subdivision (1) may be imposed by the township or excluded city only within the township or excluded city.

(i) For property taxes first due and payable in the first calendar year in which property taxes are imposed by the consolidated city under this section in the taxing district, the maximum permissible ad valorem property tax levy of the taxing district under IC 6-1.1-18.5 is equal to the sum of:

(1) the sum of the property tax levies for taxes first due and payable in the preceding year for fire protection and related services (excluding debt) by each:

(A) township;

(B) airport authority; or

(C) fire protection territory;

whose fire department is consolidated into the fire department of the consolidated city under section 6.1 of this chapter, excluding amounts paid for pension obligations under IC 36-8-7 for members of the 1937 firefighters fund;

(2) the amount paid from the consolidated city's property tax levy during the preceding year for fire protection and related services (excluding debt); and

(3) the amount paid from the fire special service district's property tax levy during the preceding year for fire protection and related services, excluding amounts paid from the fire special service district's property tax levy to pay the

1 consolidated city's pension obligation under IC 36-8-7 for  
2 members of the 1937 firefighters' pension fund.

3 However, the department of local government finance shall adjust  
4 any budgets, tax rates, and tax levies of the consolidated city,  
5 townships in the county, the taxing district, excluded cities that  
6 have consolidated fire departments under section 6.3 of this  
7 chapter, and the airport authority as necessary to reflect the  
8 establishment of a consolidated fire department.

9 (j) For property taxes first due and payable in the first calendar  
10 year in which property taxes are imposed by the consolidated city  
11 under this section in the taxing district, the maximum permissible  
12 ad valorem property tax levy under IC 6-1.1-18.5:

13 (1) is decreased for each township, the airport authority, and  
14 any fire protection territory by the amount included in the  
15 taxing district's maximum permissible ad valorem property tax  
16 levy under subsection (i)(1) from the township, airport  
17 authority, or fire protection territory;

18 (2) is decreased for the consolidated city by the amount  
19 included in the taxing district's maximum permissible ad  
20 valorem property tax levy under subsection (i)(2); and

21 (3) is decreased for the fire special service district by an  
22 amount equal to the amount included in the taxing district's  
23 maximum permissible ad valorem property tax levy under  
24 subsection (i)(3).

25 SECTION 10. IC 36-3-2-3.5 IS ADDED TO THE INDIANA CODE  
26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
27 UPON PASSAGE]: Sec. 3.5. (a) This section applies if:

28 (1) a township fire department, fire protection district, or fire  
29 protection territory is consolidated into the fire department of  
30 a consolidated city under IC 36-3-1-6.1; and

31 (2) the township fire department, fire protection district, or fire  
32 protection territory has at least one (1) full-time, fully paid  
33 firefighter.

34 (b) A firefighter described in subsection (a)(2) is entitled to  
35 employment as a full-time, fully paid firefighter of the fire  
36 department of the consolidated city at not less than:

37 (1) the same merit or permanent rank; or

38 (2) a rank in the merit system of the fire department of a

1 consolidated city that is equivalent to the merit or permanent  
2 rank;

3 that the firefighter held on the later of the date this section was  
4 enacted into law or the date the firefighter fills a vacant position  
5 through a merit testing process.

6 (c) The fire department of:

7 (1) the consolidated city; and

8 (2) the township, fire protection district, or fire protection  
9 territory;

10 may not reduce or terminate the employment or benefits of a  
11 full-time, fully paid firefighter who is employed before the effective  
12 date of the consolidation because of or to facilitate the  
13 consolidation.

14 (d) This section does not prohibit a fire department, fire  
15 protection district, or fire protection territory from taking  
16 disciplinary action for cause against a full-time, fully paid  
17 firefighter, including suspending, reducing in rank, or discharging  
18 the firefighter.

19 (e) This section does not apply to a firefighter employed by the  
20 airport authority on the effective date of the consolidation.

21 SECTION 11. IC 36-3-2-12 IS ADDED TO THE INDIANA CODE  
22 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
23 UPON PASSAGE]: Sec. 12. (a) This section applies after June 30,  
24 2006.

25 (b) As used in this section, "relative" means:

26 (1) a husband;

27 (2) a wife;

28 (3) a father;

29 (4) a mother;

30 (5) a son or son-in-law;

31 (6) a daughter or daughter-in-law;

32 (7) a brother;

33 (8) a sister;

34 (9) an aunt;

35 (10) an uncle;

36 (11) a niece; or

37 (12) a nephew.

38 (c) An individual who is a relative of a member of a board,

committee, council, or commission or the head of any office, department, or institution may not:

(1) be employed in any position with the:

(A) board, committee, council, or commission of which the individual's relative is a member; or

(B) office, department, or institution that is headed by the individual's relative; or

(2) receive any compensation as an employee for services from any appropriation by a political subdivision subject to this chapter.

(d) An individual may not be employed in a position in which the individual would have a direct supervisory or subordinate relationship with the individual's relative.

(e) This section does not apply to the following:

(1) An individual employed in the same position with the board, committee, council, commission, office, department, or institution for at least twelve (12) consecutive months immediately before the appointment or election of the individual's relative as a member of the board, committee, council, or commission or head of the office, department, or institution.

(2) The employment of any law enforcement officer or firefighter who is under the jurisdiction of a merit commission established under IC 36-8-3.5.

(f) This section does not require the termination or reassignment of any employee of a political subdivision from any position held by that individual on and continuously after June 30, 2006."

Delete page 22.

Page 23, delete lines 1 through 18.

Page 24, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 14. IC 36-3-6-4.1 IS ADDED TO INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.1. Notwithstanding IC 36-8-7, if a consolidated fire department is established under IC 36-3-1-6.1, the city-county legislative body shall adopt an ordinance to levy a property tax only within the fire special service district in the amount and at the rate necessary to produce sufficient revenue to pay amounts required to satisfy the consolidated city's 1937 firefighters' pension fund**

obligations under IC 36-8-7-14 for persons who are employees or retired employees of the consolidated city on January 1, 2008."

Page 24, delete lines 30 through 42, begin a new paragraph and insert:

"SECTION 16. IC 36-3-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.1, in the name of:**

- (1) a township;**
  - (2) an airport authority;**
  - (3) a fire protection territory; or**
  - (4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory;**
- to satisfy the requirements of IC 36-3-1-6.1.**

**(b) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.3 by:**

- (1) an excluded city; or**
- (2) a building, holding, or leasing corporation on behalf of an excluded city;**

**to satisfy the requirements of IC 36-3-1-6.3.**

SECTION 17. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

#### **Chapter 8. Township Review Board**

**Sec. 1. This chapter applies only to a county containing a consolidated city.**

**Sec. 2. As used in this chapter, "board" refers to the township review board established by section 3 of this chapter.**

**Sec. 3. The township review board is established.**

**Sec. 4. (a) The board consists of the following members:**

- (1) The deputy mayor for public and neighborhood affairs of the consolidated city, who shall serve as the board chairperson.**
- (2) The township trustee of each of the nine (9) townships in the county.**



- 1           **(3) One (1) member appointed by the president of the**  
 2           **city-county council.**
- 3           **(4) One (1) member appointed by the mayor of the**  
 4           **consolidated city upon the recommendation of the president**  
 5           **of the Marion County Alliance of Neighborhood Associations.**
- 6           **(5) One (1) member appointed by the mayor of the**  
 7           **consolidated city upon the recommendation of the president**  
 8           **of the Greater Indianapolis Chamber of Commerce.**
- 9           **(6) One (1) member appointed by the secretary of the Indiana**  
 10          **family and social services administration.**
- 11          **(b) An appointing authority must make appointments under**  
 12          **subsection (a) not later than July 1, 2006.**
- 13          **(c) The deputy mayor for public and neighborhood affairs must**  
 14          **call the first meeting of the board before August 1, 2006. At the**  
 15          **first meeting of the board, the members of the board shall elect a**  
 16          **chairperson.**
- 17          **(d) If a member ceases to be employed in the position or hold the**  
 18          **office required for appointment to the board, the member ceases to**  
 19          **be a member of the board, and the original appointing authority**  
 20          **shall appoint an individual to serve on the board for the remainder**  
 21          **of the board's term.**
- 22          **Sec. 5. (a) A majority of the members appointed to and serving**  
 23          **on the board constitutes a quorum for a meeting of the board.**
- 24          **(b) The affirmative vote of a majority of the members appointed**  
 25          **to and serving on the board is necessary for the board to take**  
 26          **official action.**
- 27          **(c) The board shall meet on the call of the chairperson.**
- 28          **Sec. 6. Members of the board are not entitled to any salary or**  
 29          **per diem for participation on the board.**
- 30          **Sec. 7. The board shall do the following:**
- 31               **(1) Conduct field studies and audits to determine how best to**  
 32               **serve constituents throughout the county after the**  
 33               **consolidation, joint performance, or transfer of city, county,**  
 34               **and township functions, taking into account the efficiencies**  
 35               **that may be achieved.**
- 36               **(2) Make recommendations concerning the number and**  
 37               **location of community resource centers in the county.**
- 38               **(3) Identify city and township services that may be provided**

jointly or through interlocal cooperation agreements, and make recommendations concerning the joint location of those services with other federal, state, or local government agencies.

(4) Identify which of the services provided by the township trustees or recommended to be transferred to township trustees may be located in the community resource centers.

(5) Develop a community education plan to familiarize citizens with the provision of services by various methods throughout the county.

(6) Review functions performed in the county by township trustees under IC 36-6-4-3 and make recommendations concerning any statutory changes necessary to achieve greater efficiency and lower costs in the provision of those services.

(7) Identify any services performed by the state under IC 12-8 that should be transferred to or administered jointly with townships in the county.

(8) Review the operation of small claims courts in the county.

(9) Study and make recommendations concerning the role and composition of the existing township board structure.

(10) Provide a report before December 31 of each year to the legislative body of the county containing a consolidated city and in an electronic format under IC 5-14-6 to the legislative council.

**Sec. 8. (a) The board is abolished December 31, 2008.**

**(b) This chapter expires January 1, 2009.**

SECTION 18. IC 36-6-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The executive may use the township's share of state, county, and township tax revenues and federal revenue sharing funds for all categories of community services, if these funds are appropriated for these services by the township legislative body. The executive may use these funds for both operating and capital expenditures.

(b) With the consent of the township legislative body, the executive may contract with corporations for health and community services not specifically provided by another governmental entity.

(c) Except in a township located in a county having a consolidated city after the effective date of the consolidation of fire

1 **departments under IC 36-3-1-6.1**, the executive may contract with a  
 2 private person to provide regular or emergency ambulance service  
 3 within the township. The contract may provide for the imposition and  
 4 collection of fees for this service.

5 (d) **Except in a township located in a county having a**  
 6 **consolidated city after the effective date of the consolidation of fire**  
 7 **departments under IC 36-3-1-6.1**, the township legislative body may  
 8 adopt a resolution to provide for the imposition and collection of fees  
 9 for ambulance services provided by the township police or fire  
 10 department.

11 SECTION 19. IC 36-8-4.3-1 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter  
 13 applies to a police ~~or fire~~ special service district created by IC 36-3-1-6  
 14 **and to a consolidated fire department established under**  
 15 **IC 36-3-1-6.1.**

16 SECTION 20. IC 36-8-4.3-2 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A special  
 18 service district **or a consolidated fire department established under**  
 19 **IC 36-3-1-6.1** shall pay for the care of:

20 (1) a full-time, paid police officer who:

21 (A) suffers an injury; or

22 (B) contracts an illness;

23 during the performance of the officer's duty; or

24 (2) a full-time, paid firefighter who:

25 (A) suffers an injury; or

26 (B) contracts an illness;

27 during the performance of the firefighter's duty.

28 (b) The special service district **or the consolidated fire department**  
 29 **established under IC 36-3-1-6.1** shall pay for the following expenses  
 30 incurred by a police officer or firefighter described in subsection (a):

31 (1) Medical and surgical care.

32 (2) Medicines and laboratory, curative, and palliative agents and  
 33 means.

34 (3) X-ray, diagnostic, and therapeutic service, including during the  
 35 recovery period.

36 (4) Hospital and special nursing care if the physician or surgeon  
 37 in charge considers it necessary for proper recovery.

38 (c) Expenditures required by subsection (a) shall be paid from the

1 general fund of the special service district.

2 (d) A special service district **or a consolidated fire department**  
 3 **established under IC 36-3-1-6.1** that has paid for the care of a police  
 4 officer or firefighter under subsection (a) has a cause of action for  
 5 reimbursement of the amount paid under subsection (a) against any  
 6 third party against whom the police officer or firefighter has a cause of  
 7 action for an injury sustained because of, or an illness caused by, the  
 8 third party. The special service district's **or consolidated fire**  
 9 **department's** cause of action under this subsection is in addition to,  
 10 and not in lieu of, the cause of action of the police officer or firefighter  
 11 against the third party.

12 SECTION 21. IC 36-8-8-1, AS AMENDED BY P.L.227-2005,  
 13 SECTION 46, IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to:

15 (1) full-time police officers hired or rehired after April 30, 1977,  
 16 in all municipalities, or who converted their benefits under  
 17 IC 19-1-17.8-7 (repealed September 1, 1981);

18 (2) full-time fully paid firefighters hired or rehired after April 30,  
 19 1977, or who converted their benefits under IC 19-1-36.5-7  
 20 (repealed September 1, 1981);

21 (3) a police matron hired or rehired after April 30, 1977, and  
 22 before July 1, 1996, who is a member of a police department in a  
 23 second or third class city on March 31, 1996;

24 (4) a park ranger who:

25 (A) completed at least the number of weeks of training at the  
 26 Indiana law enforcement academy or a comparable law  
 27 enforcement academy in another state that were required at the  
 28 time the park ranger attended the Indiana law enforcement  
 29 academy or the law enforcement academy in another state;

30 (B) graduated from the Indiana law enforcement academy or  
 31 a comparable law enforcement academy in another state; and

32 (C) is employed by the parks department of a city having a  
 33 population of more than one hundred twenty thousand  
 34 (120,000) but less than one hundred fifty thousand (150,000);

35 (5) a full-time fully paid firefighter who is covered by this chapter  
 36 before the effective date of consolidation and becomes a member  
 37 of the fire department of a consolidated city under IC 36-3-1-6.1  
 38 **provided that or IC 36-3-1-6.3; however,** the firefighter's service

as a member of the fire department of a consolidated city is considered active service under this chapter;

(6) except as otherwise provided, a full-time fully paid firefighter who is hired or rehired after the effective date of the consolidation by a consolidated fire department established under IC 36-3-1-6.1;

(7) a full-time police officer who is covered by this chapter before the effective date of consolidation and becomes a member of the consolidated law enforcement department as part of the consolidation under IC 36-3-1-5.1, provided that the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter; and

(8) except as otherwise provided, a full-time police officer who is hired or rehired after the effective date of the consolidation by a consolidated law enforcement department established under IC 36-3-1-5.1;

except as provided by section 7 of this chapter.

SECTION 22. IC 36-8-8-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) As used in this chapter, "local board" means the following:

(1) For a unit that established a 1925 fund for its police officers, the local board described in IC 36-8-6-2.

(2) **Except as provided in subdivision (3),** for a unit that established a 1937 fund for its firefighters, the local board described in IC 36-8-7-3.

**(3) For a unit that established a 1937 fund for its firefighters and consolidates its fire department into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:**

**(A) before the date the consolidation is effective, the local board described in IC 36-8-7-3; and**

**(B) on and after the date the consolidation is effective, the local board of the consolidated city established under IC 36-8-7-3.**

~~(3)~~ (4) For a consolidated city that established a 1953 fund for its police officers, the local board described in IC 36-8-7.5-2.

~~(4)~~ (5) For a unit, other than a consolidated city, that did not establish a 1925 fund for its police officers or a 1937 fund for its firefighters, the local board described in subsection (b) or (c).

(b) If a unit did not establish a 1925 fund for its police officers, a

1 local board shall be composed in the same manner described in  
 2 IC 36-8-6-2(b). However, if there is not a retired member of the  
 3 department, no one shall be appointed to that position until such time  
 4 as there is a retired member.

5 (c) **Except as provided in subsection (d)**, if a unit did not establish  
 6 a 1937 fund for its firefighters, a local board shall be composed in the  
 7 same manner described in IC 36-8-7-3(b). However, if there is not a  
 8 retired member of the department, no one shall be appointed to that  
 9 position until such time as there is a retired member.

10 (d) **If a unit located in a county containing a consolidated city**  
 11 **did not establish a 1937 fund for its firefighters and consolidates its**  
 12 **fire department into the fire department of the consolidated city**  
 13 **under IC 36-3-1-6.1 or IC 36-3-1-6.3, the local board is:**

14 (1) **before the effective date of the consolidation, the local**  
 15 **board described in IC 36-8-7-3; and**

16 (2) **on and after the effective date of the consolidation, the**  
 17 **local board of the consolidated city established under**  
 18 **IC 36-8-7-3.**

19 SECTION 23. IC 36-8-8-7, AS AMENDED BY P.L.227-2005,  
 20 SECTION 48, IS AMENDED TO READ AS FOLLOWS  
 21 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in  
 22 subsections (d), (e), (f), (g), (h), (k), (l), **and (m): and (n):**

23 (1) a police officer; or

24 (2) a firefighter;

25 who is less than thirty-six (36) years of age and who passes the baseline  
 26 statewide physical and mental examinations required under section 19  
 27 of this chapter shall be a member of the 1977 fund and is not a member  
 28 of the 1925 fund, the 1937 fund, or the 1953 fund.

29 (b) A police officer or firefighter with service before May 1, 1977,  
 30 who is hired or rehired after April 30, 1977, may receive credit under  
 31 this chapter for service as a police officer or firefighter prior to entry  
 32 into the 1977 fund if the employer who rehires the police officer or  
 33 firefighter chooses to contribute to the 1977 fund the amount necessary  
 34 to amortize the police officer's or firefighter's prior service liability over  
 35 a period of not more than forty (40) years, the amount and the period  
 36 to be determined by the PERF board. If the employer chooses to make  
 37 the contributions, the police officer or firefighter is entitled to receive  
 38 credit for the police officer's or firefighter's prior years of service

without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and
- (3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) was rehired after April 30, 1977, but before February 1, 1979; and
- (4) was made, before February 1, 1979, a member of a 1925, 1937, or 1953 fund.

(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired by the police or fire department of a unit before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) is rehired by the police or fire department of another unit after December 31, 1981; and
- (4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

1 If the police officer or firefighter is made a member of a 1925, 1937, or  
 2 1953 fund, the police officer or firefighter is entitled to receive credit  
 3 for all the police officer's or firefighter's years of service, including  
 4 years before January 1, 1982.

5 (g) As used in this subsection, "emergency medical services" and  
 6 "emergency medical technician" have the meanings set forth in  
 7 IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

8 (1) is employed by a unit that is participating in the 1977 fund;

9 (2) was employed as an emergency medical technician by a  
 10 political subdivision wholly or partially within the department's  
 11 jurisdiction;

12 (3) was a member of the public employees' retirement fund during  
 13 the employment described in subdivision (2); and

14 (4) ceased employment with the political subdivision and was  
 15 hired by the unit's fire department due to the reorganization of  
 16 emergency medical services within the department's jurisdiction;

17 shall participate in the 1977 fund. A firefighter who participates in the  
 18 1977 fund under this subsection is subject to sections 18 and 21 of this  
 19 chapter.

20 (h) A police officer or firefighter does not become a member of the  
 21 1977 fund and is not covered by this chapter if the individual was  
 22 appointed as:

23 (1) a fire chief under a waiver under IC 36-8-4-6(c); or

24 (2) a police chief under a waiver under IC 36-8-4-6.5(c);

25 unless the executive of the unit requests that the 1977 fund accept the  
 26 individual in the 1977 fund and the individual previously was a member  
 27 of the 1977 fund.

28 (i) A police matron hired or rehired after April 30, 1977, and before  
 29 July 1, 1996, who is a member of a police department in a second or  
 30 third class city on March 31, 1996, is a member of the 1977 fund.

31 (j) A park ranger who:

32 (1) completed at least the number of weeks of training at the  
 33 Indiana law enforcement academy or a comparable law  
 34 enforcement academy in another state that were required at the  
 35 time the park ranger attended the Indiana law enforcement  
 36 academy or the law enforcement academy in another state;

37 (2) graduated from the Indiana law enforcement academy or a  
 38 comparable law enforcement academy in another state; and



(3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);  
is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or firefighter:

(1) who is a member of the 1977 fund before a consolidation under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

(2) whose employer is consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;** and

(3) who, after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or firefighter who:

(1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1, provides law enforcement services or fire protection services for an entity in a consolidated city;

(2) has the provision of those services consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city **under IC 36-3-1-5.1 or IC 36-3-1-6.1;** and

(3) after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l):

(1) may not be:

~~(1)~~ (A) retired for purposes of section 10 of this chapter; or

~~(2)~~ (B) disabled for purposes of section 12 of this chapter;

solely because of a change in employer under the consolidation;

1           **and**

2           **(2) shall receive credit for all years of service as a member of**  
 3           **the 1977 fund before the consolidation described in subsection**  
 4           **(k) or (l).**

5           SECTION 24. IC 36-8-14-1 IS AMENDED TO READ AS  
 6           FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter  
 7           applies to all units except counties. **However, this chapter applies to**  
 8           **a county containing a consolidated city if a consolidated fire**  
 9           **department is established under IC 36-3-1-6.1.**

10          SECTION 25. IC 36-8-14-4 IS AMENDED TO READ AS  
 11          FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) To provide  
 12          for the cumulative building and equipment fund established under this  
 13          chapter, the legislative body may levy a tax on all taxable property  
 14          within the ~~taxing district unit, fire protection district, or territory of~~  
 15          **a consolidated fire department taxing district** in compliance with  
 16          IC 6-1.1-41. The tax rate may not exceed three and thirty-three  
 17          hundredths cents (\$0.0333) on each one hundred dollars (\$100) of  
 18          assessed valuation of property in the ~~taxing district unit, fire~~  
 19          **protection district, or consolidated fire department taxing district.**

20          (b) As the tax is collected, it shall be deposited in a qualified public  
 21          depository or depositories and held in a special fund to be known as:

22               **(1) the "building or remodeling, firefighting, and police radio**  
 23               **equipment fund" in the case of a municipality or consolidated**  
 24               **fire department taxing district; or as**

25               **(2) the "building or remodeling and fire equipment fund" in the**  
 26               **case of a township or fire protection district.**

27          **(c) Notwithstanding IC 6-1.1-41 or any other law, if a**  
 28          **consolidated fire department is established under IC 36-3-1-6.1:**

29               **(1) a cumulative building and equipment fund is established**  
 30               **for the county containing a consolidated city; and**

31               **(2) the legislative body of the county containing a consolidated**  
 32               **city may levy a tax under this chapter beginning in the**  
 33               **calendar year following the year in which the consolidated fire**  
 34               **department is established.**

35          **A tax levied under this chapter by a county containing a**  
 36          **consolidated city may only be levied within the territory of the**  
 37          **consolidated fire department taxing district.**

38          SECTION 26. [EFFECTIVE UPON PASSAGE] **The general**

1        **assembly finds that the consolidated city and townships in the**  
 2        **county containing a consolidated city are unique because of their**  
 3        **size, population density, and absence of unincorporated areas.**  
 4        **SECTION 27. [EFFECTIVE UPON PASSAGE] The legislative**  
 5        **services agency shall prepare legislation for introduction in the**  
 6        **2007 regular session of the general assembly to organize and**  
 7        **correct statutes affected by this act, if necessary.**  
 8        **SECTION 28. An emergency is declared for this act."**  
 9        Delete pages 25 through 35.  
 10        Renumber all SECTIONS consecutively.  
           (Reference is to SB 1 as printed January 27, 2006.)

**and when so amended that said bill do pass.**

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Representative Buck